



14 November 2019

Mr Chris Pattas
General Manager
Network Operations and Development Branch
Australian Energy Regulator
GPO Box 520
Melbourne VIC 3001

Dear Mr Pattas

Victorian Transmission System – Reference tariff adjustment notification

Pursuant to section 4.7.5 of the Access Arrangement in place for the Victorian Transmission System (VTS), APA VTS Australia (Operations) P/L (APA VTS) must make an initial notification to the Australian Energy Regulator (AER) of tariff adjustments to occur on 1 January 2020 at least 50 Business Days¹ before the date of implementation of those adjustments.

APA VTS submitted an initial tariff adjustment notification in satisfaction of this requirement.

That initial tariff adjustment notification was prepared prior to final winter demand figures coming available from the Australian Energy Market Operator being released. APA VTS has updated the modelling now those figures are available.

As the 2020 tariffs are governed by the access arrangement's side constraint on tariff movement, the small change in volumes has resulted in no change to the calculated tariffs. For convenience APA VTS has again set these tariffs out in attachment A to this letter.

Attachment A sets out final reference tariffs calculated in accordance with the prevailing access arrangement. These tariffs are presented in tables that correspond to those in the access arrangement.

Please contact Scott Young, Manager Regulatory on 02 9275 0031 or at scott.young@apa.com.au if you have any questions on this Reference Tariff Adjustment notice.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'P. Bolding', is written over a light blue horizontal line.

Peter Bolding
General Manager Regulatory and Strategy

¹ Due to a delay in RBA publication of its debt data and the consequential delay in the AER providing an updated PTRM and X Factor, APA VTA and the AER have agreed a delayed filing of updated tariffs to 21 October 2019.

Victorian Transmission System tariffs from 1 January 2020

Final Tariff Notification

22 November 2019

Note that the section numbering and table references below correspond to those in Schedule A of the APA VTS Access Arrangement.

A.2 Injection Tariffs

(a) Injection at Longford Injection Zone

| Matched Withdrawal Zone | Injection Tariff (\$/GJ, for the 10 Day Injection Volume) |
|--|---|
| All Withdrawal Zones except LaTrobe, Maryvale, Tyers, West Gippsland and Lurgi | 1.8769 |
| LaTrobe & Maryvale | 0.3714 |
| Tyers & Lurgi | 0.5306 |
| West Gippsland | 1.1262 |

(b) Injection at Culcairn Injection Zone

| Matched Withdrawal Zone | Injection Tariff (\$/GJ, for the 10 Day Injection Volume) |
|--|---|
| All Withdrawal Zones except Interconnect | 1.2238 |
| Interconnect | 0.298 |

(c) Injection at Port Campbell Injection Zone

| Matched Withdrawal Zone | Injection Tariff (\$/GJ, for the 10 Day Injection Volume) |
|---|--|
| All Withdrawal Zones except Western, South West and SEAGas Pipeline | 1.8771 |
| Western and SEAGas Pipeline | - |
| South West | 0.6736 |

(d) Injection at Pakenham Injection Zone

| Matched Withdrawal Zone | Injection Tariff (\$/GJ, for the 10 Day Injection Volume) |
|--------------------------------|--|
| All Zones | 0.3029 |

(e) Injection at Dandenong Injection Zone

| Matched Withdrawal Zone | Injection Tariff (\$/GJ, for the 10 Day Injection Volume) |
|--------------------------------|--|
| All Zones | - |

A.3 Withdrawal Tariffs

(a) Transmission Delivery Tariff

| Withdrawal Zone Number | Withdrawal Zone Name | Transmission delivery tariff D (\$/GJ) | Transmission delivery tariff V (\$/GJ) |
|------------------------|----------------------|--|--|
| 1 | LaTrobe | 0.1606 | 0.1596 |
| 2 | West Gippsland | 0.1981 | 0.2207 |
| 3 | Lurgi | 0.2355 | 0.2819 |
| 4 | Metro North West | 0.3329 | 0.3594 |
| 5 | Calder | 0.7575 | 0.955 |
| 6 | South Hume | 0.2945 | 0.3517 |
| 7 | Echuca | 0.6333 | 1.0667 |
| 8 | North Hume | 0.7538 | 1.1171 |
| 9 | Western | 0.7176 | 1.0724 |
| 21 | Warrnambool | 0.1093 | 0.1839 |
| 22 | Koroit | 0.2301 | 0.6901 |
| 10 | Murray Valley | 0.6153 | 0.9057 |
| 11 | Interconnect | 0.7805 | 0.7805 |
| 13 | South West | 0.1596 | 0.1596 |
| 17 | Wodonga | 0.8508 | 1.4465 |
| 18 | Tyers | 0.1948 | 0.2023 |
| 19 | Culcairn | 0.8286 | NA |
| 20 | Metro South East | 0.3329 | 0.3594 |
| 24 | Geelong | 0.2437 | 0.2916 |
| 25 | Maryvale | 0.0632 | NA |

(b) System Export Tariff

| Withdrawal Zone Number | Connected Transmission Pipeline Name | System Export Tariff (\$/GJ) |
|------------------------|--------------------------------------|------------------------------|
| 31 | VicHub | 0 |
| 33 | SEA Gas Pipeline | 0.0221 |

(c) Transmission Refill Tariff

| Withdrawal Zone Number | Storage Facility Name | Transmission Refill tariff (\$/GJ) |
|------------------------|-----------------------|------------------------------------|
| 23 | LNG | 0.0565 |
| 32 | WUGS | 0.0827 |

(d) Cross System Withdrawal Tariff

| Injection Pipeline | Cross System Withdrawal Tariff D (\$/GJ) | Transmission delivery tariff V (\$/GJ) |
|--------------------|--|--|
| All | 0.1740 | 0.1981 |

(e) Matched Withdrawals - Culcairn

| Withdrawal Zone Number | Withdrawal Zone Name | Transmission delivery tariff D (\$/GJ) | Transmission delivery tariff V (\$/GJ) |
|------------------------|----------------------|--|--|
| 8 | North Hume | 0.3181 | 0.419 |
| 11 | Interconnect | 0.1596 | NA |
| 17 | Wodonga | 0.185 | 0.2077 |

(f) Matched Withdrawals - Metro (South East)

| Withdrawal Zone Number | Withdrawal Zone Name | Transmission delivery tariff D (\$/GJ) | Transmission delivery tariff V (\$/GJ) |
|------------------------|----------------------|--|--|
| 20 | Metro South East | 0.1786 | 0.2006 |